

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 2472 - HB 2718**

May 5, 2020

**SUMMARY OF BILL:** Authorizes nonprofit organizations of this state to harvest trees from property owned by the University of Tennessee Institute of Agriculture (UTIA), in counties in which the state owns 15 percent or more of the total acreage of the county, if the wood is to be donated as firewood.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact - Due to multiple unknown factors, a precise fiscal impact cannot be quantified with reasonable certainty.**

Assumptions:

- It is unknown how many nonprofit organizations will seek to take advantage of the timber harvesting provision, or how much timber those organizations will attempt to harvest for firewood.
- The legislation places no limit on the amount that could be harvested.
- UTIA's Geographic Information Systems analysis of the counties that would be eligible for harvesting under this legislation is incomplete; however, it has determined that Morgan County is among them.
- Morgan County includes UTIA's Cumberland Forest Unit which is comprised of more than 8,000 acres of timber valued at approximately \$16,000,000 (8,000 acres x \$2,000/acre).
- If one percent, or 80 acres (8,000 x 1.0%), of the timber on UTIA land in Morgan County is harvested, the estimated decrease in property value to the UTIA would be \$160,000 (80 acres x \$2,000/acre).
- UTIA has multiple stands of trees being managed for research purposes. Passage of this legislation could jeopardize private, state and federal funding due to procedures compromised as a result of the loss of trees or alteration of property.
- Other consideration that is unknowable at this time and could have a significant fiscal impact to UTIA is the potential for litigation liability in the case of an accident arising from timber harvesting on UTIA property.
- Due to multiple unknown factors, a precise fiscal impact cannot be quantified with reasonable certainty.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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